Presentation of Hexagon Purus

– A Hexagon Composites Company

19 November 2020

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1 Introduction to Hexagon Purus

Hexagon Purus – driving the hydrogen transition

Zero emission

Hexagon Purus is a global leader in zero emission e-mobility, driving energy transformation through its hydrogen cylinders/systems, battery systems and electric drivetrain technologies

Separating Hexagon Purus as a stand-alone company to strengthen the zero emission business

Strategic rationale for separating out Hexagon Purus' zero emission activities from Hexagon Composites:

- ✓ Unlock value by creating a pure-play zero emission player attractively positioned to benefit from the significant growth expected in the global clean mobility space
- ✓ Separate and individual strategic agenda and investment narrative
- ✓ Sole focus on Hexagon Purus' independent growth strategy for future funding and capital allocation
- ✓ Crystalize industrial synergies with Hexagon Composites as a strong majority owner and industrial partner, enabling Hexagon Purus to unlock its value potential

Key investment highlights

HEXAGON PURUS

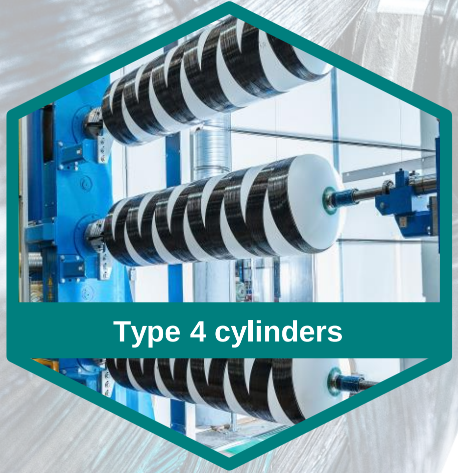
HEXAGON PURUS

A UNIQUE ZERO EMISSION OPPORTUNITY

- **I** — Significant opportunity driven by the ongoing global shift towards a zero-emission society
- **II** — Hydrogen type 4 cylinder champion set to accelerate growth in an addressable market that can exceed USD 7bn in 2030
- **III** — Industry leading hydrogen and battery systems as well as electric drivetrain integration capabilities meeting OEM standards
- **IV** — Integrator of all BEV and FCEV technologies on various global OEM platforms
- **V** — Established manufacturing footprint with serial production and tier 1 supply capabilities and experience
- **VI** — Strong customer relationships – notable early successes with major OEMs in North America, Europe and Asia

HEXAGON
PURUS

Hexagon Purus – a world leader within hydrogen cylinders, fuel and distribution systems and electric drivetrain solutions



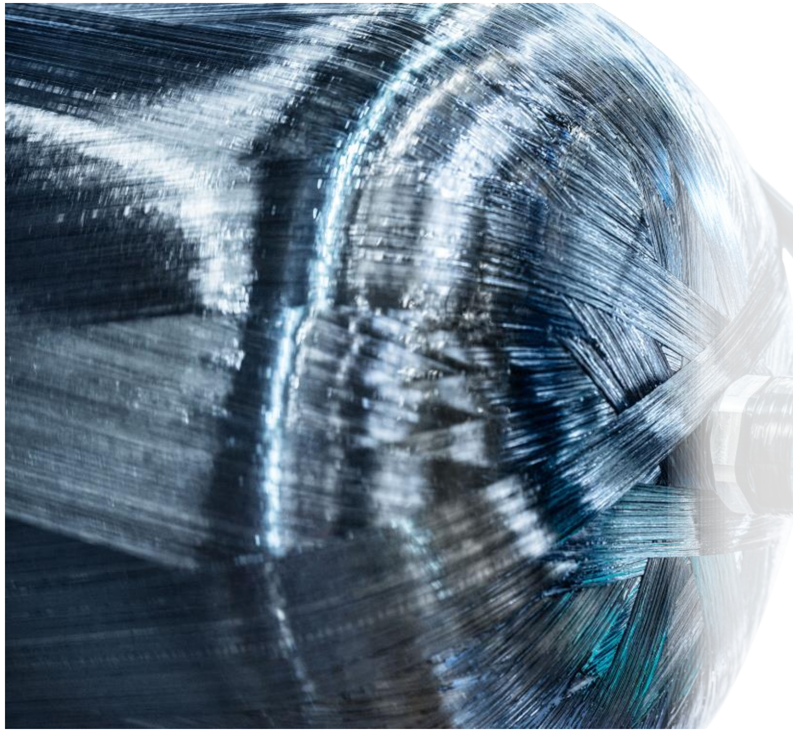
Type 4 cylinders

Cylinder systems

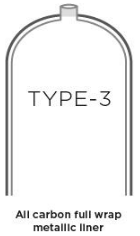
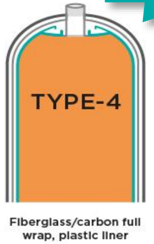
Electric drivetrain solutions

Hexagon Purus is a leading provider of type 4 cylinders – the optimal and preferred cylinder for hydrogen applications

Hexagon Purus delivers state-of-the art type 4 technology – the preferred solution for hydrogen applications



- **NON-CORROSIVE:** Polymer liner is corrosion free
- **GOOD FATIGUE STRENGTH:** High-strength carbon fibre construction reduces impact damage and fatigue
- **LEAK-FREE:** Precision-machined valve interface to ensure leak free operations
- **LIGHTWEIGHT:** Reduces vehicles mass and enhances handling and driveability

		Hexagon Purus' offering
Cylinder technologies		
Description	Fiber composite cylinder with aluminum lining	Fiber composite cylinder with plastic lining
Total cost of ownership		Lower
Storage density		Higher
Mobility applications	✓	✓

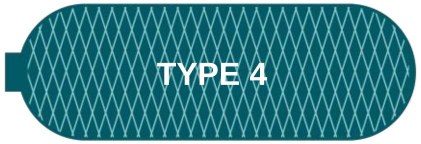
Type 4 cylinders provide a superior combination of weight, safety, efficiency and durability for hydrogen applications

Source: Company, third-party consultant

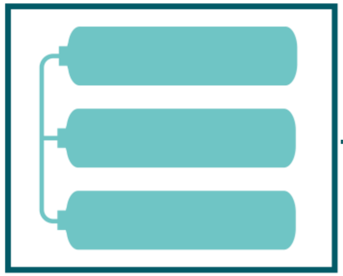
Hexagon Purus – a world leading company within hydrogen cylinders/systems and electric drivetrain solutions

Hydrogen storage cylinders and cylinder systems

Compressed hydrogen type 4 cylinders



Cylinder systems

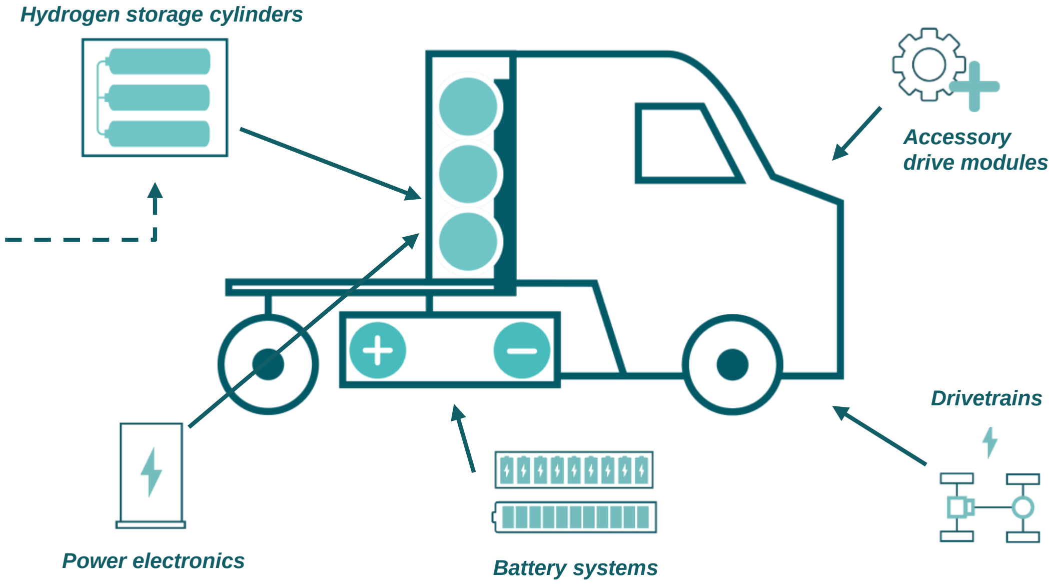


Example of applications for Purus' hydrogen cylinders and cylinder systems

Battery systems and electric drivetrain integration

Drivetrain integration for zero emission medium and heavy-duty vehicles (BEV, FCEV, hybrids)

Example of parts Hexagon Purus integrate in fuel cell electric trucks



Hexagon Purus is a systems integrator delivering components, sub-systems and vehicle integration

Leading manufacturer and fuel system provider, with a holistic system integration offering

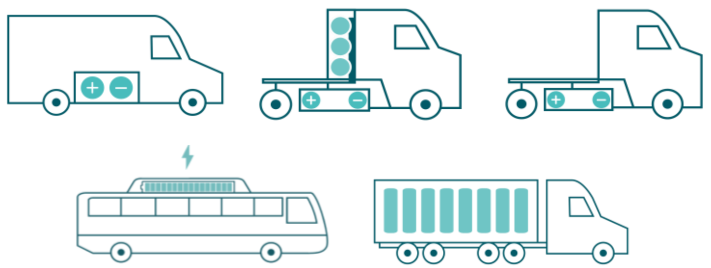
Hexagon Purus also delivers hydrogen distribution modules and ultra-high pressure hydrogen ground storage systems for hydrogen refueling stations

System integration

Components and sub-systems

- Hydrogen type 4 cylinders
- Battery system / packs
- Software
- Hydrogen system
- Other vehicle systems

Vehicle integration



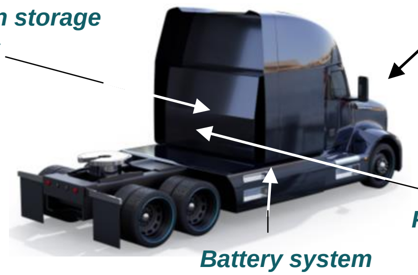
Purus utilizes its manufacturing excellence to provide optimal system integration solutions for e-mobility customers

Hexagon Purus is one of the market leaders within EV systems and electric drivetrain solutions

Battery systems and electric drivetrain integration

- ***One of the most energy dense and lightest battery packs in the commercial vehicle industry***
- ***OEM grade offering with capabilities across the full drivetrain system***
- ***Agile, cross-functional teams provide rapid time-to-market on E2E drivetrain solutions***
- ***Joint development programs with key players such as Daimler, HINO and Navistar***

Example of parts Hexagon Purus integrate in fuel cell electric trucks



Systems offering amongst other proven through The Daimler Innovation Fleet

- Hexagon Purus was in May 2017 awarded two contracts with Daimler for their North American zero-emission truck fleet (*The Innovation Fleet*):
  - Awarded 22 of 22, 440 kWh class 8 battery packs (eCascadia)
  - Awarded 7 of 13 full electric vehicle integrations, with 220 kWh battery packs (eM2)
- Production at engineering headquarters in Kelowna, Canada and vehicle upfit at EV installation facility in Fontana, USA
- High efficiency and payload, top speed and Class 6 weight rating makes Purus a preferred partner for Daimler
- **Received exceptional feedback resulting in an additional order of 8 vehicles (the *Customer Experience Fleet*): 6 eCascadia's and 2 eM2's, which have already been delivered to Daimler**

22

The eCascadia:

✓ 22 trucks with 440kWh class 8 battery packs from Purus

7

The eM2:

✓ 7 trucks with 220kWh battery packs and EV drivetrain from Purus

Hexagon Purus has demonstrated superior performance and received exceptional feedback on its EV systems offering

Experienced executive team with strong track record

CEO - Morten Holum
- Served as CEO of Saferoad Group, a pan-European road safety company
- Extensive international and industrial experience from key positions in Norske Skog, Norsk Hydro and American Airlines

CFO - Dilip Warrier
- 7 years experience from the clean energy sector
- Key positions at Agility Fuel Solutions, a leading global provider of clean fuel solutions

EVP, Systems - Todd Sloan
- Significant experience from the clean fuel solutions sector
- 24 years experience with heavy-duty trucks and buses
- Founder and President of EnviroMECH Industries, later part of Agility Fuel Solutions

EVP, LDC[1] - Dr. Michael Kleschinski
- 15 years of combined experience from Xperion Energy & Environment and Hexagon Composites
- Extensive technical and commercial experience with high-pressure composites cylinders for storage of gaseous alternative energy for automotive and industrial applications

SVP, Asia - Frank Häberli
- Key positions in international sales and marketing including a decade of experience from German Schuler AG
- Has held leadership positions at Hexagon Composites for the past 15 years

1) Light Duty, Distribution and Cylinders

International organisation with leading partnerships, manufacturing and R&D capabilities

HEXAGON PURUS

Kelowna – BC, Canada

- Global innovation office
- Battery pack and hydrogen systems demonstration
- Vehicle prototyping
- Approx. 30 employees

Costa Mesa – California, US

- Corporate functions such as CFO office and legal support

Fontana – California, US

- BEV and FCEV vehicle integration facility
- Approx. 10 employees

Taneytown – Maryland, US

- Specialized small series production and development center for hydrogen and aerospace applications
- Approx. 25 employees

Lincoln – Nebraska, US

- R&D and project management resources with more than 50 years experience with high-pressure technology
- Approx. 10 employees[1]

Oslo, Norway

- Corporate headquarters
- Corporate functions such as CEO office, corporate development and finance

Kassel, Germany

- Specialized type 4 cylinder product development center and manufacturing facilities
- Approx. 70 employees

China

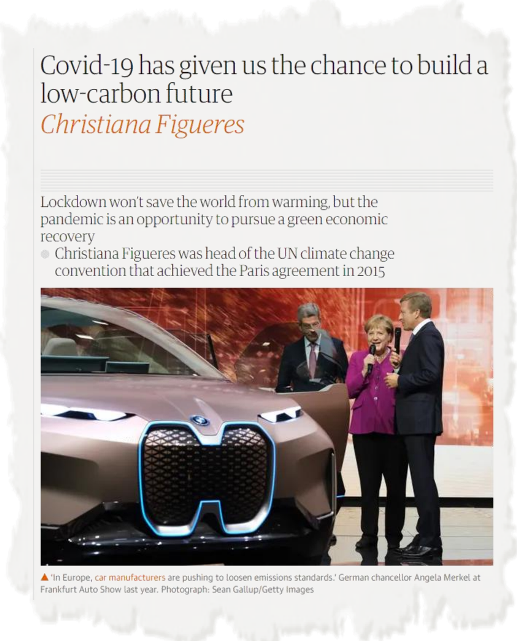
- Term sheet agreement signed for a strategic cooperation with CIMC ENRIC, a leading Chinese manufacturer of energy equipment

Engineering center | Production/assembly site | Sales office/representative | Headquarters | Partnership (/representative)

1) Includes sub-contracted personnel from Hexagon Composites

2 The hydrogen opportunity and Purus' positioning

Decarbonization is high up on the global agenda – strong push to limit carbon emissions…



Covid-19 has given us the chance to build a low-carbon future
Christiana Figueres

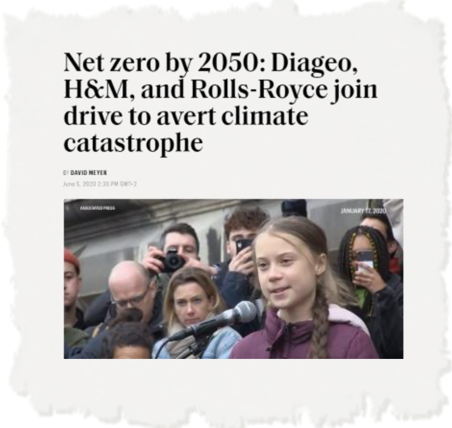
Lockdown won't save the world from warming, but the pandemic is an opportunity to pursue a green economic recovery

- Christiana Figueres was head of the UN climate change convention that achieved the Paris agreement in 2015

▲ 'In Europe, car manufacturers are pushing to loosen emissions standards.' German chancellor Angela Merkel at Frankfurt Auto Show last year. Photograph: Sean Gallup/Getty Images

European Union to Spend 20 Billion Euros on Clean Cars

02/06/2020 EUROPE, WORLD, GENERAL, HIGHWAYS, HEADLINE, Automotive



Net zero by 2050: Diageo, H&M, and Rolls-Royce join drive to avert climate catastrophe

BY DAVID MEYER
June 5, 2020 2:30 PM GMT+2

E&E NEWS

CLIMATE

Reducing China's CO_2 Emissions Would Curb Deadly Air Pollution in the U.S.

China's move away from fossil fuels would mean 2,000 fewer premature deaths in the U.S. by 2030

By John Fialka, E&E News on July 26, 2019

Credit: Wanjia Dong Getty Images

China's pledge to cut its carbon dioxide emissions beginning in 2030 includes a generous gift for its downwind neighbors: less deadly air pollution.

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BEHAVIOR & SOCIETY

UN Launches "Race to Zero" Ahead of Delayed COP 26 Climate Talks

STEVE ZWICK

The COVID-19 pandemic has pushed year-end climate talks back to late 2021, but the UN's Climate Ambition Alliance is using the extra year to promote a "Race to Zero" emissions designed to ensure the post-pandemic economic recovery is a green one.

British carbon tax leads to 93% drop in coal-fired electricity

by University College London

185 Parties that have ratified the Paris Agreement to date out of 197 parties to the UNFCCC

10 Years remaining in the global carbon budget to achieve the 1.5°C goal

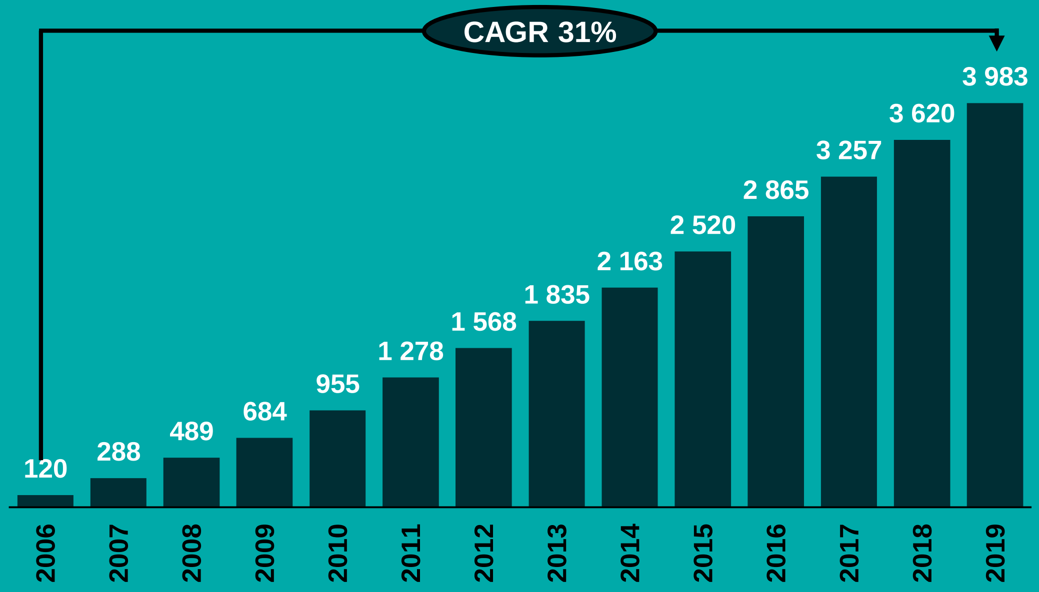
PARIS2015 COP21·CMP11

…leading to significant momentum for zero emission and clean energy initiatives across the globe

Transportation is responsible for almost **20% of global CO_2 emissions**

~4,000 USDbn - cumulative investment in clean energy globally since 2006

66 countries have announced net-zero emissions as a target by 2050



Cumulative investment in clean energy, USDbn[1]

Uber aims to be **zero emissions by 2040**

California makes zero emission trucks and vans **mandatory by 2045**

Source: BNEF (Bloomberg New Energy Finance), Euronews, Techcrunch,, Uber
1) From Bloomberg New Energy Finance. Showing total investment in renewable energy (both public and private), including investment in research and development and share issues of specialist companies.

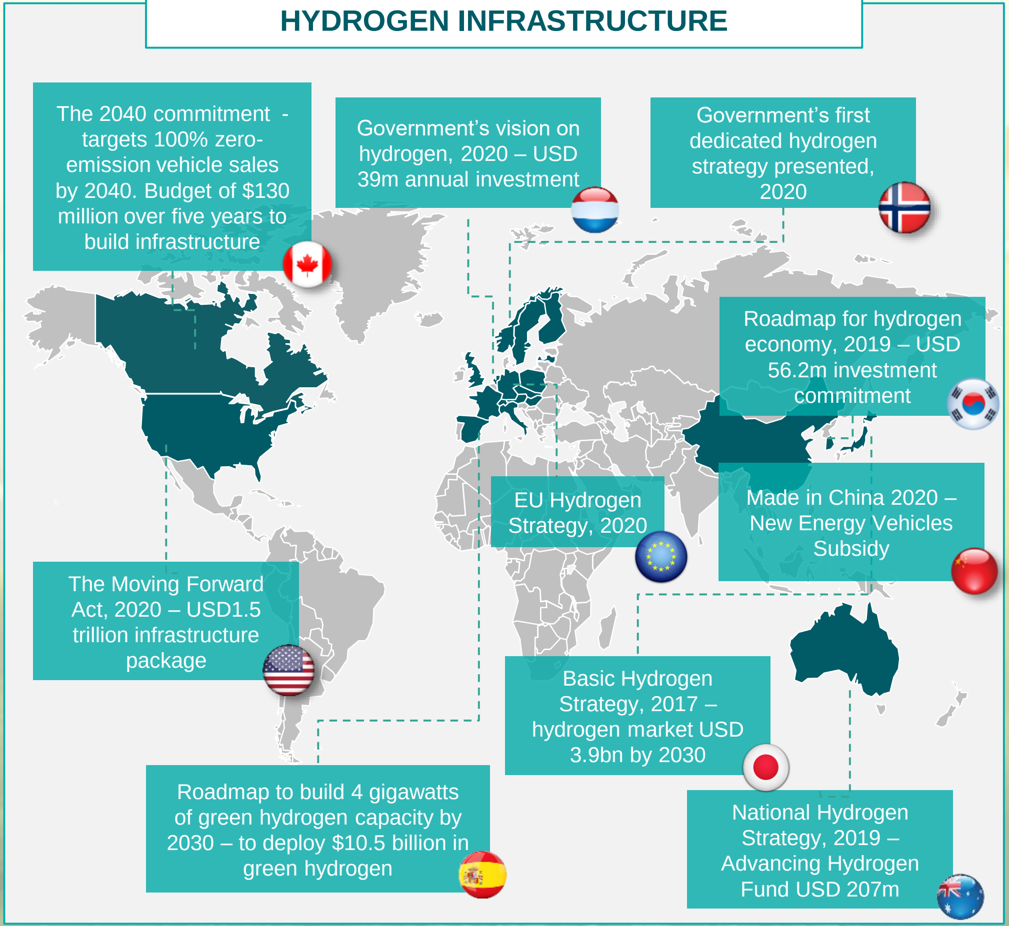
Hydrogen is in the fast lane as a key zero emission solution

EU is investing up to EUR 180bn by 2050 to roll out hydrogen power

90+ members of the Hydrogen Council today, up from 13 members in 2017

Hydrogen cost is projected to decrease by up to 50% by 2030

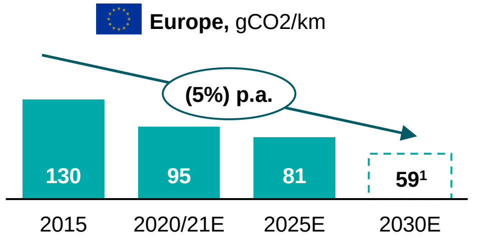
LEADING COUNTRIES ROLL OUT SIGNIFICANT HYDROGEN INFRASTRUCTURE



Source: *«Path to hydrogen competitiveness. A cost perspective». Hydrogen Council 01-20 - «How hydrogen empowers the energy transition». Hydrogen Council 01-17, "Hydrogen: a renewable energy perspective" - IRENA*
1) Includes the US, Europe (excl. Eastern Europe), China, Japan, and South Korea

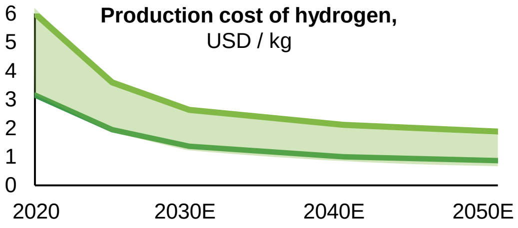
Four key factors driving the hydrogen transition

Policies and regulations



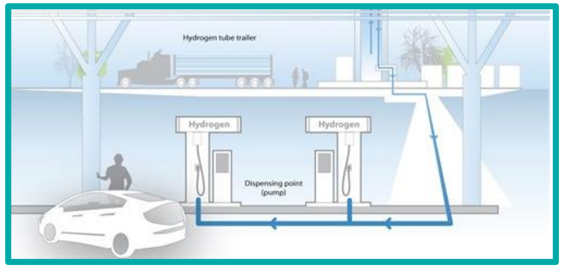
- National decarbonization targets is the core regulatory driver to support hydrogen deployment
- EU currently most ambitious with a 2050 net-zero target
- China expected to become the largest market globally driven by strategic goal to become hydrogen technology leader

Hydrogen TCO



- Costs across the entire value chain have come down in recent years, and estimates indicate that TCO parity is achievable by mid-decade
- Industry cost driven down by automatization and economies of scale in manufacturing

Infrastructure deployment



- Deployment of infrastructure to support hydrogen scale-up, e.g. hydrogen refueling stations and hydrogen pipeline network
- Several initiatives within hydrogen mobility globally, e.g. the Hydrogen Mobility Europe developing a HRS network across several European countries

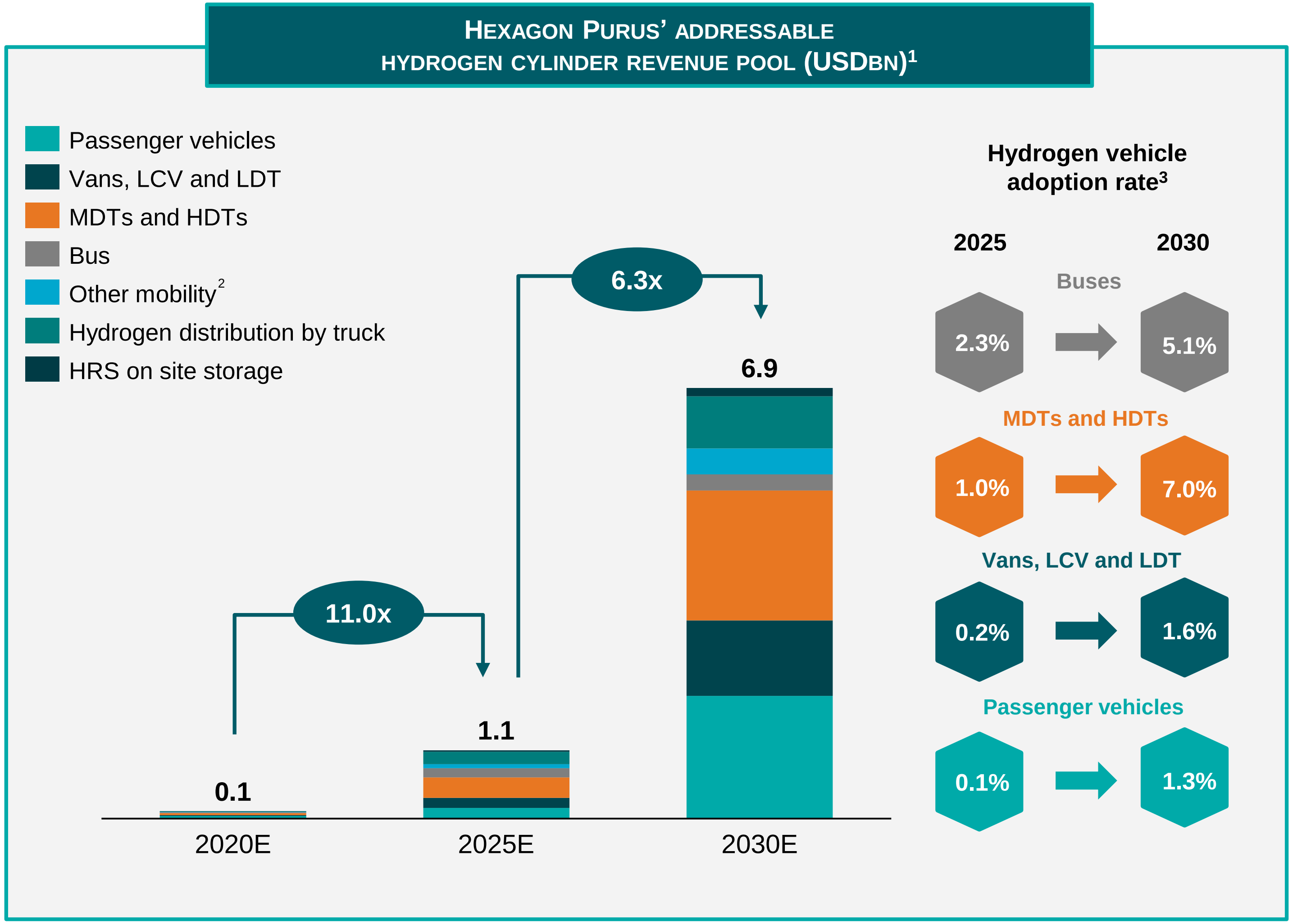
Near-term market and industry development

- Industry activity and planned production volume
- Growth of industry consortia developing large-scale projects – partnerships between industry players e.g. Daimler/Volvo
- Initiatives from OEMs into the hydrogen space is important in order to create demand and ramp-up of production

Source: Company, third-party consultant

1) The Environmental Protection Agency (EPA) currently considers ruling back fuel economy and emissions standards freezing them at 2020 levels through 2026

Hexagon Purus in pole position to benefit from the sizeable market opportunity – H2 cylinder market expected to exceed USD ~7bn



USD ~7bn hydrogen cylinder market revenue pool in 2030

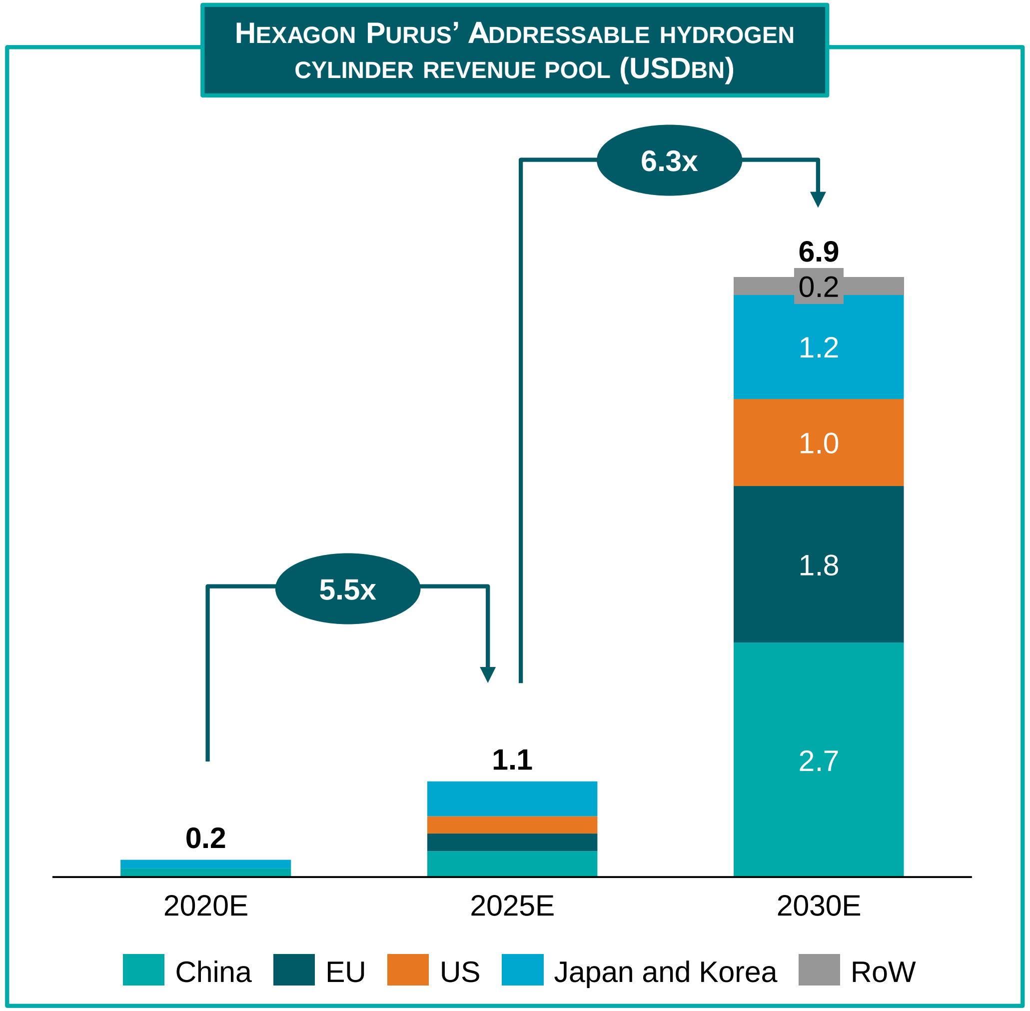
Medium and heavy-duty trucks expected to make up a large part of Hexagon Purus' hydrogen cylinder market in 2030 (approx. ~30%)

Hydrogen distribution and HRS on site storage largely follows the development of the end-use applications

Source: Company, third-party consultant

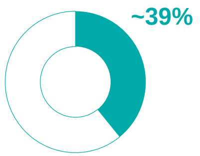
1) Assuming all end-users use compressed gas hydrogen cylinders in all mobility segments, 2) Includes marine, rail, drones aviation, farming equipment, construction and mining equipment, 3) % of vehicles sales

China is expected to be the biggest market mid-term, followed by EU and the US



% of addressable market in 2030E

Represents the main driver of FCEV truck volumes because of large truck fleet, despite having similar adopting rates as e.g. Japan and South Korea

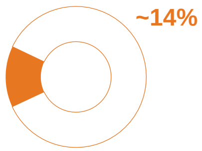


Large domestic automotive industry increasingly active in FCEVs

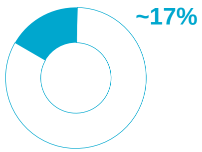
Europe expected to be a frontrunner market (within FCEV) because of government regulations to reach emission reduction targets in commercial applications

US addressable market significantly lower than EU due to less ambitious states assumed to have lower hydrogen adoption rates than e.g. California, and 70% of US car sales are in less climate ambitious states

Positive traction in the truck market driven by the automotive industry



Large domestic automotive industry increasingly active in FCEVs
Japan and South Korea expected to have high hydrogen adoption rate due to strong government support for hydrogen mobility



Source: *Company, third-party consultant*

Purus is planning to launch a JV in the world's largest hydrogen market before year-end

HEXAGON PURUS

CIMC ENRIC

- Term sheet agreement for a strategic cooperation signed in May 2020
- Targeting signing of JV agreement in Q4 2020
- CIMC ENRIC is a leading Chinese manufacturer of clean energy equipment headquartered in Shenzhen, China, and listed in Hong Kong

1,000,000
FCEVs by 2035

50%
of new car sales to be zero emission[1] by 2035

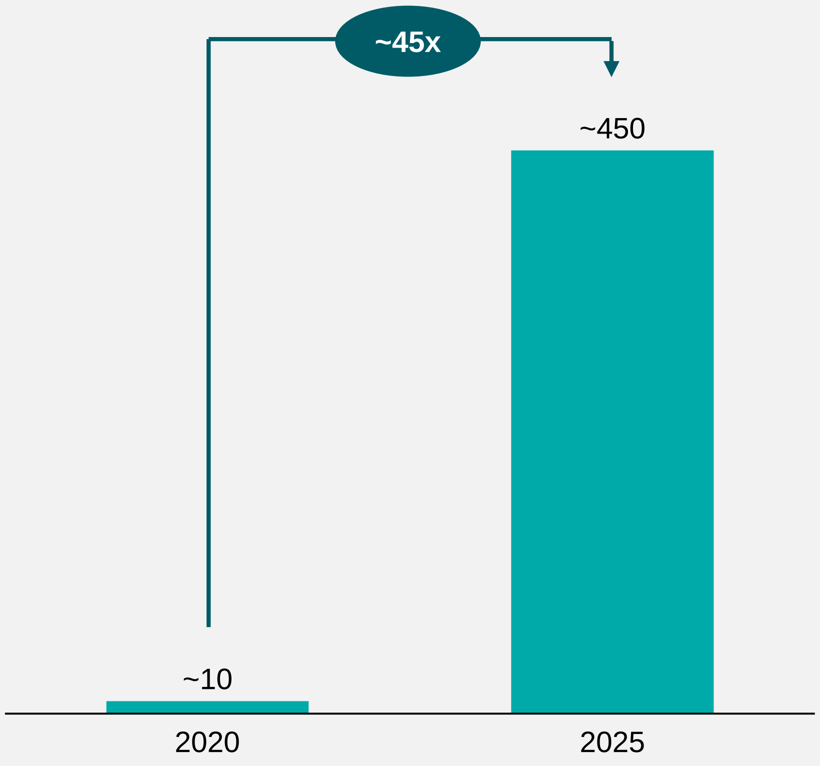
5,000
hydrogen refueling stations by 2035

Source: "Energy Conservation and New Energy Vehicle Technology Roadmap 2.0"
1) Includes plug-in hybrid electric vehicles (PHEV) as included in the "new energy vehicles" (NEV) term used by the Chinese government

Significant growth in the market for vehicle and drivetrain integration representing a key opportunity for Hexagon Purus

HEXAGON PURUS

Hexagon Purus' Addressable System Integration market for MDV/HDV (USDm)



Battery electric vehicles / system integration (BEV)

69%[1] | 8%

- ✓ US represents the main addressable market; still in early stage
- ✓ Serving multiple OEMs in various stages of developing native BEV platforms

Fuel cell electric vehicles (FCEV) / system integration

21%[1] | 92%

- ✓ US, Europe, China, Korea and Japan represent the key markets
- ✓ Currently relatively low volume (prototypes) with multiple OEM partners, but demand for FCEV drivetrains expected to pick up significantly over the medium-term

Share of ZEV MDV/HDV market 2020

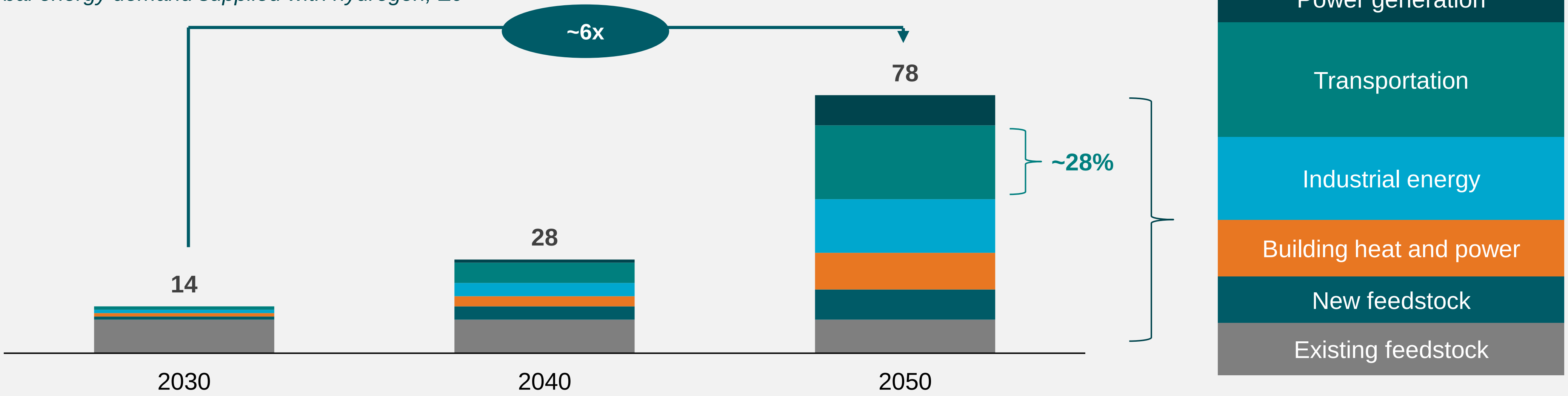
Share of ZEV MDV/HDV market 2030

Source: Company, third-party consultant, Hydrogen Council
1) Hybrids constitutes the remainder of the market. Note: Share of Zero Emission Vehicles (ZEV) MDT/HDT market represents the global short-series volumes (sales) per technology as a % of total short-series production

This is only the beginning – ample opportunities beyond 2030

HYDROGEN DEMAND EXPECTED TO INCREASE ~6X FROM 2030 TO 2050

Global energy demand supplied with hydrogen, EJ[1]



2030

- Globally **10 to 15 million** cars and **500,000** trucks powered by hydrogen
- Deployment of hydrogen-powered trains and passenger ships
- **1 in 12** cars in Germany, Japan, South Korea, and California powered by hydrogen

>>

2050

- Up to **400 million** passenger vehicles, **5 million** trucks, and more than **15 million** buses running on hydrogen
- **20%** of today's diesel trains replaced with hydrogen-powered trains

Hydrogen Council

Source: Hydrogen Council

1) 1 EJ is provided by 7 million tons or 78 billion cubic meters of gaseous hydrogen – equal to one day of the world's total final energy demand

Hexagon Purus is approaching the market from a leadership position

HEXAGON PURUS

Hexagon Purus is a best-in-class provider of type 4 cylinders as well as hydrogen and EV systems

TYPE 4

World class type 4 high-pressure cylinders and EV systems

- ✓ Industry-leading type 4 cylinder technology
- ✓ Products adhering to highest safety and quality standards
- ✓ Comprehensive EV systems and leading drivetrain offering

Extensive experience and know-how

- ✓ >50 years of experience with composite high-pressure technology and clean fuel systems
- ✓ Broad ability to tailor offering to customer needs
- ✓ Unique system integration capabilities

Unique industrial scale for high-volume production

- ✓ Flexible and scalable across cylinder specifications
- ✓ State-of-the art manufacturing processes
- ✓ More than 500 000 high-pressure cylinders delivered

Strong customer and strategic partnerships

- ✓ Excellent track record with world class customers
- ✓ High market shares
- ✓ Term sheet agreement for strategic partnership with CIMC ENRIC

Strong customer relationships across a variety of end-use applications

HEXAGON PURUS

Toyota fuel cell electric heavy-duty truck
(Photo: Toyota)

350 bar cylinders for the Xcelsior transit bus – operating in California, US

700 bar cylinders to Mercedes GLC-FCELL
(Photo: Daimler AG)

300 bar and 500 bar gas distribution modules for Linde
(Photo: Linde AG)

1st hydrogen vessel in the US; 70 ft hybrid hydrogen fuel cell electric catamaran
(Photo: Golden Gate Zero Emission Marine)

World´s 1st hydrogen-powered regional train Coradia iLint from Alstom, Germany
(Photo: Alstom)

950 bar cylinders for Western Canada's first retail hydrogen refuelling station
(Photo: HTEC Hydrogen Technology & Energy Corporation)

Battery packs for Daimler's two new battery electric truck models eCascadia and eM2, and additional system components for the eM2

Adjacent markets

- Construction & mining
- Agriculture
- Drones
- Aviation
- Other applications

Strong momentum continuing to build – entering Northeast Asian market for hydrogen-powered passenger cars…

HEXAGON PURUS

- ✓ Hexagon Purus nominated for serial supply of cylinders for a zero emission FCEV SUV
- ✓ First prototypes delivered by the end of 2020
- ✓ 2-year contract
- ✓ Estimated sales value of €25m

"Hydrogen is a key focus of Hexagon Purus. We are pleased to become an approved supplier to a major OEM in this large market, and to bring our leading type 4 cylinder technology to a new innovative collaboration."

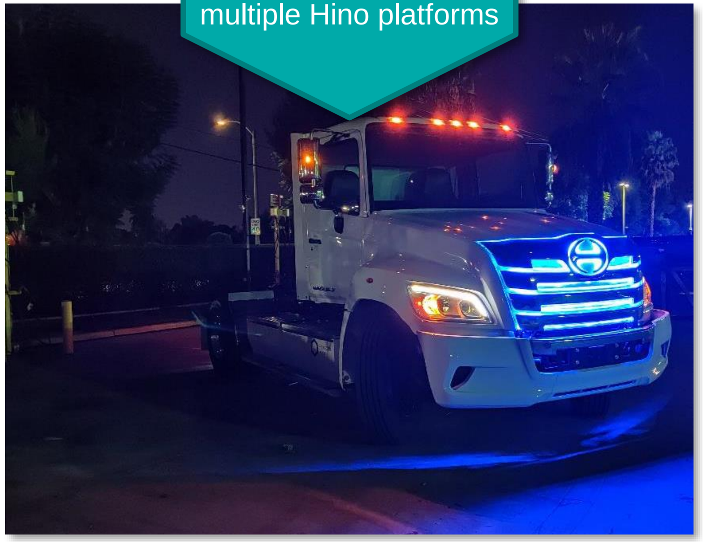
- Michael Kleschinski, EVP Hexagon Purus

…following a line of several recent key announcements…

Awarded contract by Stadler Rail to supply hydrogen cylinder systems for first hydrogen powered commuter train in the US

Image for illustration purposes only; does not reflect the actual train referred to in the contract announcement.
Credit: Stadler

Selected by Hino Trucks as development partner to provide battery packs and drivetrain integration on multiple Hino platforms



Multi-year frame agreement with Everfuel worth €14m to deliver multiple units of hydrogen distribution systems through to 2025

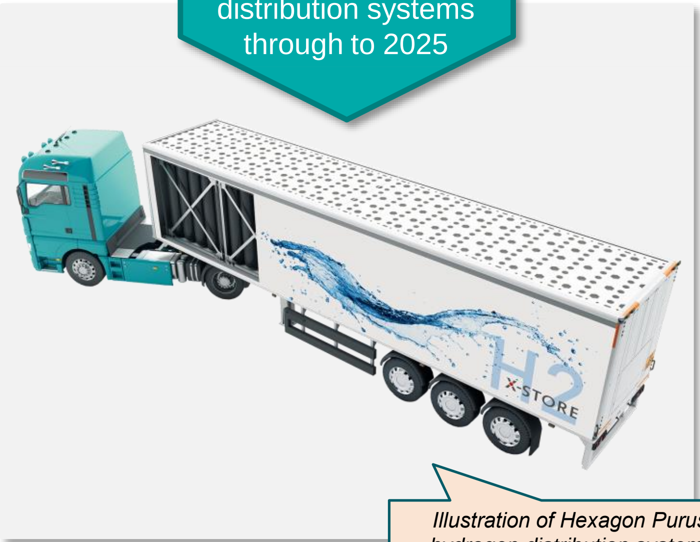
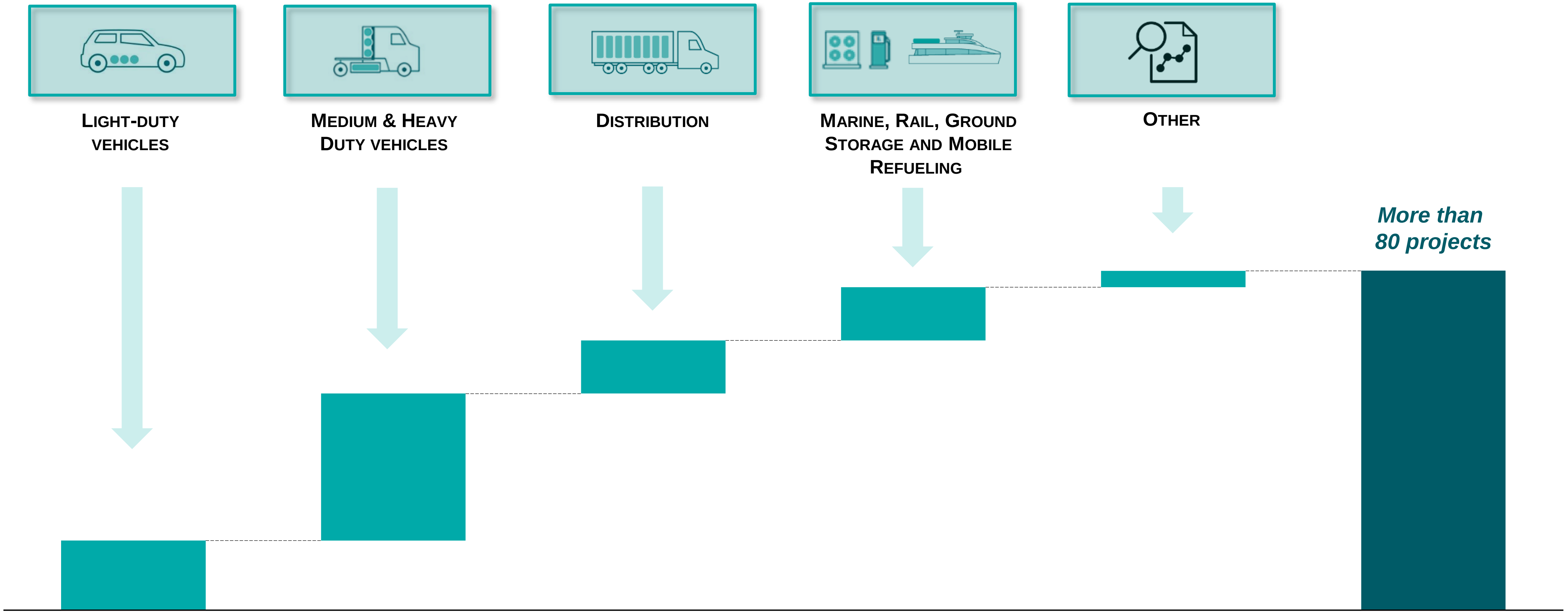


Illustration of Hexagon Purus' hydrogen distribution systems (X-STORE)

...and a project pipeline supporting acceleration of growth in concert with the market



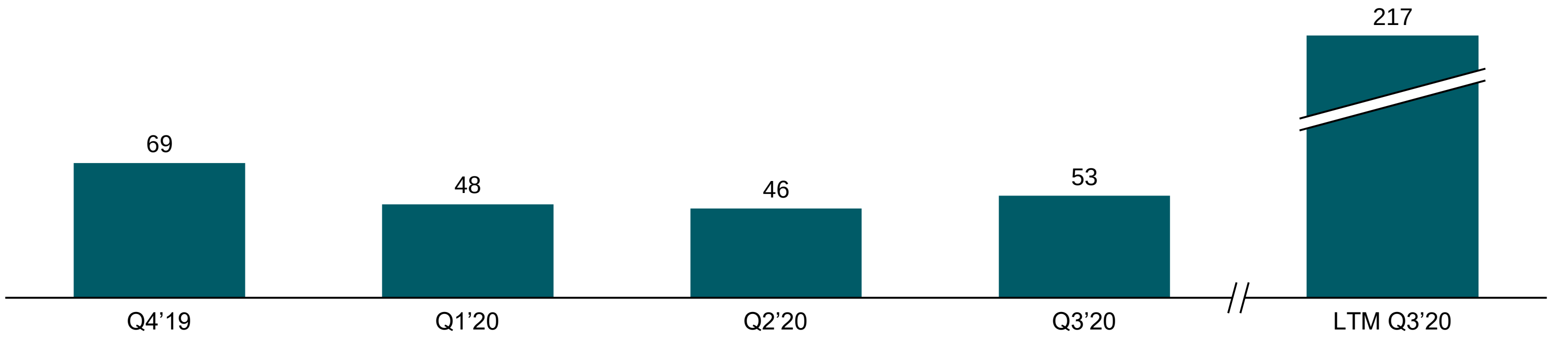
High number of hydrogen and battery electric development projects across a variety of segments

3 FINANCIALS AND OUTLOOK

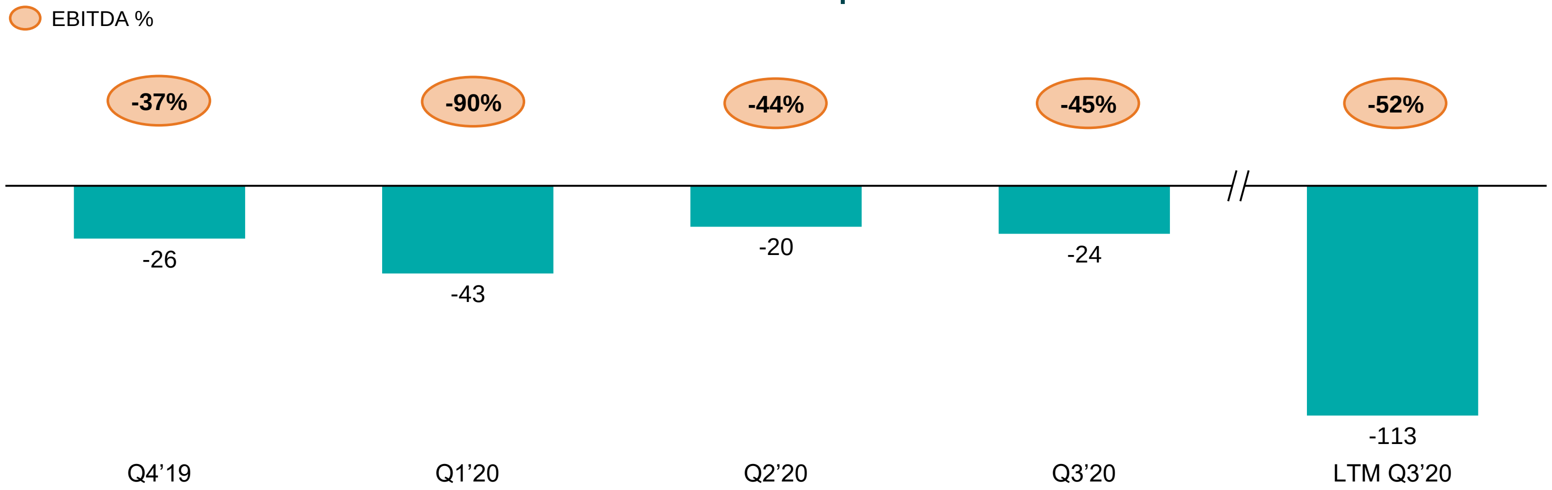
Overview of recent financial performance

HEXAGON PURUS

GROUP REVENUES | NOKm



GROUP EBITDA | NOKm

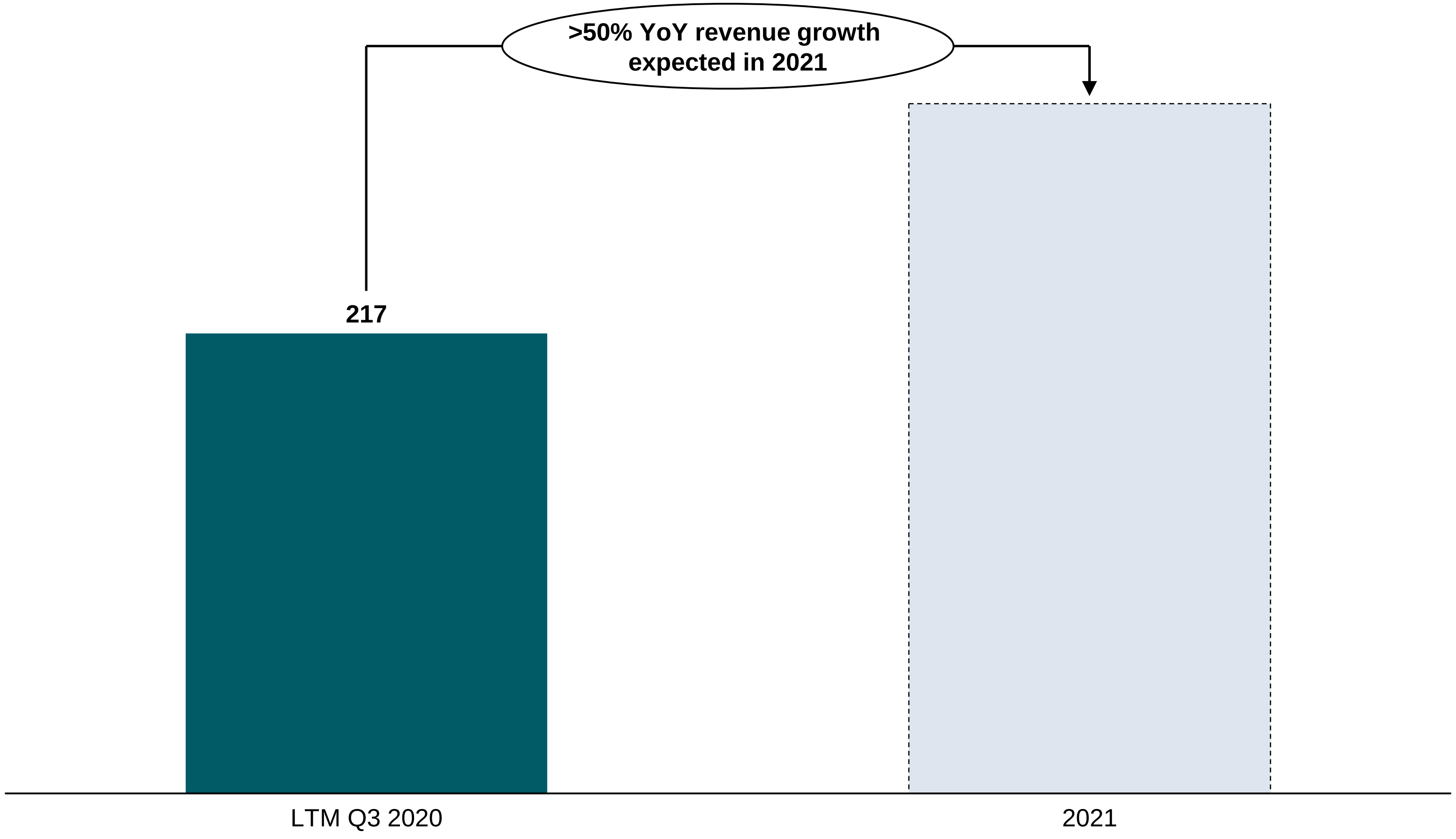


COMMENTARY

- LTM revenue driven by hydrogen and battery electric systems shipments to North American OEMs, hydrogen distribution systems and cylinders for aerospace and marine applications
- EBITDA continues to be impacted by ramp-up investments into personnel and infrastructure to position Purus for future growth opportunities

Solid top-line growth expected in 2021

GROUP REVENUES | NOKm



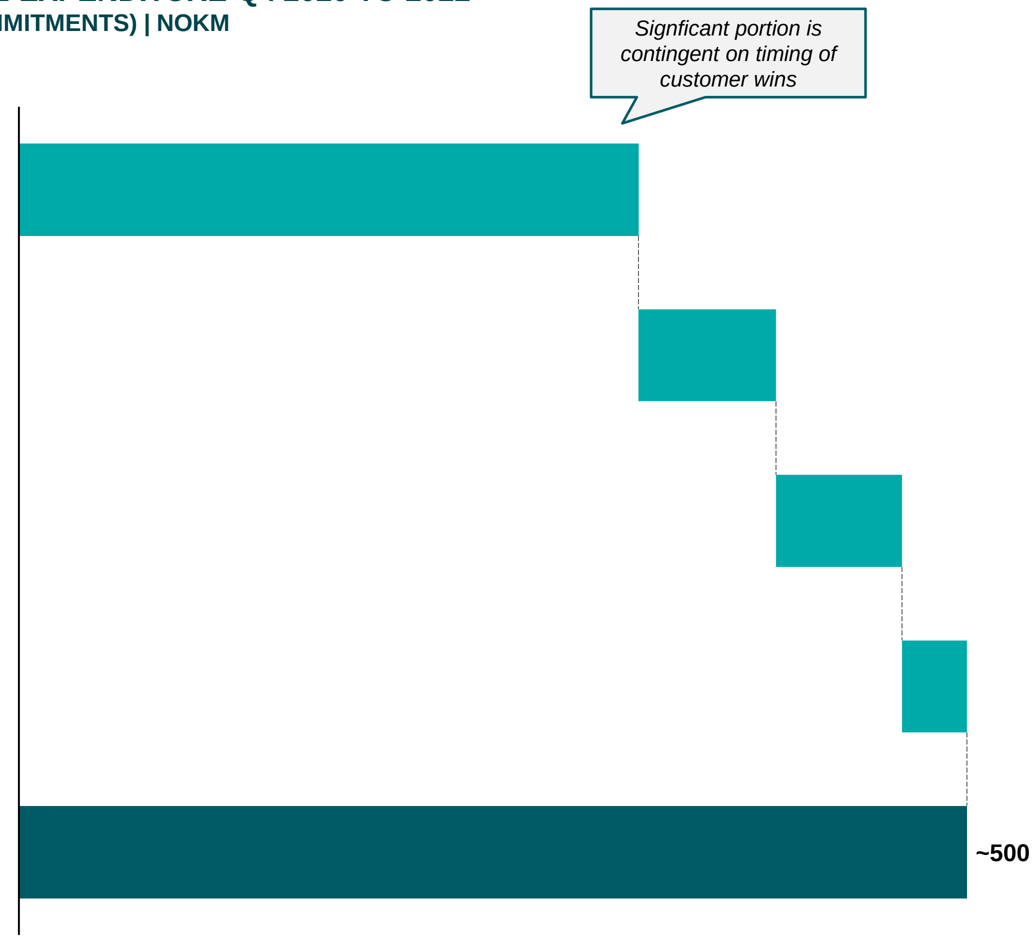
COMMENTARY

- FY 2020 not expected to be materially different from LTM Q3 2020
- Strong growth (>50%) expected in 2021 driven by pick up in hydrogen distribution in US and Europe as well as increased battery electric and fuel cell electric vehicle activity in North America
- Increased quoting activity geared towards volumes in 2021 and beyond in both North America and Europe

Focus on ramping up capacity to support the pipeline and opportunities ahead

ESTIMATED CUMULATIVE CAPITAL EXPENDITURE Q4 2020 TO 2022[1]
(SOME INITIATIVES ARE MULTI-YEAR COMMITMENTS) | NOKM

1. Hydrogen cylinder capacity expansion in Europe, North America and Northeast Asia
2. Battery pack and hydrogen systems capacity expansion
3. Hydrogen cylinder production automation & WCM[2] initiatives
4. Hydrogen and battery systems facility upgrades



COMMENTARY

- Purus expects to make significant investments in continued technological development as well as capacity expansion in order to pursue market opportunities and retain its leading position
- Estimated CAPEX does not include investments related to strategic cooperation with CIMC ENRIC in China. Target is to sign final JV agreement by Q4 2020

1. Cylinder capacity expansion in Kassel, Germany to meet hydrogen light-duty and transit demands. Capacity expansions in North America and Northeast Asia are primarily dependent on timing of customer wins
2. Battery assembly capacity, automation and testing as well as hydrogen system design and capacity investments in Kelowna, Canada
3. Investments in automation of cylinder production and world-class manufacturing in Kassel, Germany
4. Facility upgrades in Kelowna, Canada to support battery and hydrogen systems production

1) CAPEX estimates does not include investments related to strategic cooperation with CIMC ENRIC in China; 2) World class manufacturing

Financial ambitions

HEXAGON PURUS

2025 Revenue Ambitions

NOK 4-5bn

Long-term Profitability Ambitions

Double-digit EBITDA margins

Purus has an excellent starting position and is setting the stage to capitalize on the momentum in the market going forward

HEXAGON PURUS

Strong early mover position

Today

- ✓ One of few players with proven ability to deliver on contracts
- ✓ Early mover advantage
- ✓ World class manufacturing

Global zero emission mobility champion

2030

- Market segments forecasted to grow by a factor of more than 50x – retaining even a moderate market share entails a vast revenue potential

Key investment highlights

HEXAGON PURUS

A UNIQUE ZERO EMISSION OPPORTUNITY

- **I** — Significant opportunity driven by the ongoing global shift towards a zero-emission society
- **II** — Hydrogen type 4 cylinder champion set to accelerate growth in an addressable market that can exceed USD 7bn in 2030
- **III** — Industry leading hydrogen and battery systems as well as electric drivetrain integration capabilities meeting OEM standards
- **IV** — Integrator of all BEV and FCEV technologies on various global OEM platforms
- **V** — Established manufacturing footprint with serial production and tier 1 supply capabilities and experience
- **VI** — Strong customer relationships – notable early successes with major OEMs in North America, Europe and Asia

4 RISK FACTORS

Risk factors (1/4)

RISKS RELATED TO THE BUSINESS OF THE COMPANY AND THE INDUSTRY IN WHICH IT OPERATES

Business risk: Business risk relates to the risk of loss and reduced profitability due to changes in the Group's competitive position. Factors which can impact the Group's competitive position include new players in the industry, pressure on market prices and future demand and supply factors, including the price of hydrogen fuel, electricity, fuel cells, batteries and drivetrain components and their relative attractiveness compared with diesel, gas or other fuels, and conventional vehicle technologies. Depending on developments, these factors can have a negative impact on the results and financial position of the Company and the Group.

Operational and technological risk: The Group uses its expertise to develop and commercialize new products, processes and technologies. The Group is exposed to competing technologies and processes that could have a negative effect on the Group's competitive positions and, in turn profitability and financial position. The composite pressure vessel technology used by the Group is seen as modern and typically competes with existing type-1 all-steel and type-3 metal inner-lined composite over-wrapped pressure vessels or liquified storage solutions. Should competing products be perceived by customers and the market as cheaper, better and safer, this may have a material adverse effect on the Company's profitability and financial position.

Production risk: The Group operates in markets with strict standards for quality and delivery. Deviations from these standards could result in significant additional costs, lost sales revenues and damage to the Group's reputation. In order to mitigate this risk, the Group has procedures and controls in place to identify and prevent deviations. The Group is exposed to risks related to production such as production errors or shut downs of its facilities. Any such events would have a material adverse effect on the Group's results of operations, cash flow and financial condition.

Uncertainty relating to global economic conditions and development may reduce demand for the Group's services or result in contract delays or cancellations: Volatility and sustained weakness in general economic conditions and global or regional financial markets may negatively affect and may continue to negatively affect the adoption of hydrogen or battery storage as core energy vectors used to decarbonize hard-to-abate sectors, such as transportation. Limitations on the availability of capital or higher costs of capital for financing expenditures, or the desire to preserve liquidity, may cause potential customers to make reductions in future capital budgets and outlays and could result in project modifications, delays and/or cancellations. Such adjustments could reduce demand for the Group's services, which could have a material adverse effect on the Group's results of operations, cash flow and financial condition.

Intellectual property rights: The Group must observe third parties' patent rights and intellectual rights. There is always an inherent risk of third parties claiming that the technology utilized in the Group's operations infringes third parties' patents or intellectual property rights, and any such claim, if successful, could have a material adverse effect on the Group's results of operation

Raw material risks and volatility and price levels of oil: The Group is exposed to developments in the prices of its raw materials and in particular the cost of carbon fiber and lithium ion batteries. The prices of these raw materials are linked to various factors including developments in the price of oil, precursor commodities and energy and the prevailing market balance where supply is dependent on a limited number of suppliers.

The announced plans for Chinese manufacturing and assembly joint ventures may be unavailable on attractive or acceptable terms: The Group has announced a term sheet for a strategic partnership with CIMC ENRIC to jointly establish facilities for manufacturing of cylinders and assembly of systems to serve the Chinese and Southeast Asian markets. Final agreements have not been entered into, and there is both a risk that final terms are less attractive and contain greater risk for the Group than desired, and that the parties cannot reach agreement on final terms and the strategic partnership is not realized.

Risk of investing in China: The Group has announced a term sheet for a strategic partnership with CIMC ENRIC, to jointly establish facilities for manufacturing of cylinders and assembly of systems to serve the Chinese and Southeast Asian markets. If the partnership develops, this will subject the Group to risks specific to China. China may be subject to considerable degrees of economic, political and social instability. China demonstrates significantly higher volatility from time to time in comparison to many other developed markets. Over the last few decades, the Chinese government has undertaken reform of economic and market practices and has expanded the sphere of private ownership of property in China. However, Chinese markets generally continue to experience inefficiency, volatility and pricing anomalies resulting from governmental influence, a lack of publicly available information and/or political and social instability. Internal social unrest or confrontations with neighboring countries, including military conflicts in response to such events, may also disrupt economic development in China and result in a greater risk of currency fluctuations, currency non-convertibility, interest rate fluctuations and higher rates of inflation. Further, investments in China may be subject to loss due to expropriation or nationalization of assets and property or the imposition of restrictions on foreign investments and repatriation of capital.

Labor issues: Labor unrest could prevent or hinder the Group's services from being carried out normally and, if not resolved in a timely and cost effective manner, could adversely affect its business, results of operations, cash flows and financial condition.

New technology and/or products may cause the Group to become less competitive: The composite pressure cylinders industry and the market for fuel cell and battery electric drivetrain integration is subject to the introduction of new technologies, some of which may be subject to patent protection. As competitors and others use or develop new technologies, the Group may be placed at a competitive disadvantage, and it may face competitive pressure to implement or acquire certain new technologies at a substantial cost. The Company cannot be certain that the Group will be able to implement and use new technology or products on a timely basis or at an acceptable cost. Thus, the Group's inability to implement and use new and emerging technology in an effective and efficient manner may have a material and adverse effect on its business, financial condition, results of operations and cash flows.

Failure to employ a sufficient number of skilled workers or an increase in labor costs could hurt the Group's operations: The Group's future operational performance depends to a significant degree upon the continued service of key members and key personnel in the Group and the Group's business, as well as a competent and experienced sales force in order to achieve sufficient sales volumes. The shortage of qualified personnel or the inability of the Group to obtain and retain qualified and key personnel, could also negatively affect the quality and timeliness of its work, which in turn could have a material adverse effect on the business, financial position, results of operations and cash flows of the Company and the Group.

The Group's business involves numerous operating hazards: The Group's products are used to transport and store energy in the form of highly flammable, pressurized gases or high voltage battery packs. All of the Group's products are tested and approved in accordance with established safety standards. Production and related processes are regularly monitored and controlled. The Group designs its products according to national and international standards. All relevant aspects of products and manufacturing processes are monitored and recorded. Notwithstanding the above, the Group's operations will be subject to the usual hazards inherent in the Group's industry, such as inter alia loss of production, fires, bursts and pollution. The Group may also be subject to property, environmental and other damage claims by third parties, in addition to personal injury and other claims of the personnel. The occurrence of any one of these (or similar) events could result in the suspension of production operations, claims by third parties, severe damage to, or destruction of, the property and equipment involved, injury or death to personnel and environmental damage. Any one of the above could have a material adverse effect on the Group's business, financial position, results of operations and cash flow.

Risk factors (2/4)

The international operations of the Group will be subject to a number of risks inherent in operating a business in foreign countries: The Group operates in several jurisdictions in addition to Norway. The Company and the Group will thus be subject to a number of risks inherent in operating a business in various jurisdictions, including, but not limited to political, social and economic instability, limitations on insurance coverage, import-export quotas and costs, confiscatory taxation, work stoppages, unexpected changes in regulatory requirements, wage and price controls, sanctions and/or other imposition of trade barriers, imposition or changes in enforcement of local content laws, changes in economic or tax policies, changes in legislation which give rise to increased compliance costs, restrictions on currency or capital repatriations, currency fluctuations and devaluations and high levels of inflation, high interest rates, significant governmental influence over many aspects of local economies and/or other forms of government regulation and economic conditions that are beyond the Group's control, all of which could have a material adverse effect on the Group's business, financial position, result of operations and cash flows.

The Group's insurance may not be adequate to cover the Group's losses: Insurance of all risks associated with the Group's business is not always available and, where available, the cost can be high. The occurrence of an event that is uninsurable, not covered or only partially covered by insurance could have a material adverse effect on the Group's business and financial position. For instance, pollution and environmental risks generally are not fully insurable, and when available the insurance premiums may be high and coverage may be restricted.

Customers may be unable or unwilling to indemnify the Group: The Group may not be able to obtain agreements from customers to indemnify it for consequential damages and risks or the indemnities that it does obtain may be limited in scope and duration or subject to exceptions. Additionally, even if the Group's customers agree to indemnify it, there can be no assurance that they will necessarily be financially able to indemnify it against all of these risks.

Risks associated with upgrades, refurbishment and repairs: The group may undertake upgrades, refurbishment and repairs on its production facilities from time to time, which involves inherent risks for delay and/or cost overruns due to various circumstances, including those outside of the Group's control. Significant cost overruns or delays would adversely affect the Group's business, financial condition and result of operations.

Hidden defects and risk related to maintenance: The Group may carry the risk for any hidden defect or defects not discovered during a warranty period. Any such defects and the Group's incurrence of costs and labilities thereof may have a materially adverse effect on the Group's business.

The Group could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws: The U.S. Foreign Corrupt Practices Act, and similar worldwide anti-bribery laws (together, anti-corruption laws) prohibit companies and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business. In order to effectively compete in some foreign jurisdictions, the Group may utilize local agents and seek to establish joint ventures with local operators or strategic partners. Although the Group has policies that comply with these laws, and has procedures and controls in place to monitor internal and external compliance, if it is found to be liable for violations of anti-corruption laws, the Group could suffer from civil and criminal penalties or other sanctions, which could have a material adverse effect on its business, financial position, results of operations and cash flows.

The Group's business is subject to numerous governmental laws and regulations, including those that may impose sanctions and/or significant costs and liability on it for environmental and natural resource damages, as well as agreements governed by foreign law: The Group's business activities are conducted in or with relations to several different jurisdictions, and thereby exposed to a variety of different laws, regulations, rules, agreements and guidelines, which may include (without limitation) regulations related to, inter alia, anti-trust, environmental, health & safety, anti-corruption, sanctions, and tax. Any changes thereof, or any difficulties in enforcing agreements in foreign jurisdictions, may have a significant adverse effect on the Group's operations and results. Any failure to comply with laws and regulations may result in the assessment of administrative, civil and even criminal penalties, the imposition of remedial obligations, the denial or revocation of permits or other authorizations and the issuance of injunctions that may limit or prohibit the Company's or the relevant Group member's operations.

Counterparty risks: The ability of the Company and the Group to achieve its stated objectives will depend on the performance of the counterparties under the various agreements it has entered into. If any counterparties do not meet their obligations under the respective agreements, this may have a material adverse effect on the Company's and the Group's operations, business and financial condition. Legal action in response to non-performance by any counterparty entails uncertainty with respect to the result of such legal action and may be costly. Without prejudice to the generality of the foregoing, there is a risk that the Company or its subsidiaries cannot seek the legal redress that they could expect against a defaulting counterparty, or that a legal remedy will not be granted on satisfactory terms.

Competition risk: Certain of the Group's competitors are larger than the Group, both in respect of production facilities and financial position. Such competitors' greater resources could allow them to better withstand industry downturns and operational downtime, compete more effectively on the basis of their production facilities, financial strength and technology, and retain skilled personnel. There can be no assurance that the Group can compete effectively with its competitors in the industry.

Risks relating to laws, regulations and public requirements: The Group's products are subject to governmental laws and regulations, including regulations relating to quality, health and safety. The Group manufactures its products in accordance with, and its products are subject to inspection standards pursuant to, applicable regulation and requisite approvals. However, the Company cannot predict the future costs of complying with applicable regulations, standards and permits as these develop. Adoption of new laws, regulations or public requirements that impose more stringent requirements concerning the safety aspects of Hexagon's products could result in increase of compliance expenditure, suspension of production, product recalls or claims from third parties, which in each case could have a material adverse effect on the Group's business, financial position, results of operations and cash flow.

Risks related to the COVID-19 outbreak: The outbreak of the corona virus (COVID-19) may affect the overall performance of the Company, including the Company's ability to develop its products and services and implement its business plan, and may result in delays, additional costs and liabilities, which in turn could have a material adverse effect on the Company's results, financial condition, cash flows and prospects.

Deviation from standard terms: The Company may in some circumstances for commercial reasons choose to accept customer demands for terms and conditions under customer agreements which deviate from the standard terms & conditions and therefore represent an increased liability exposure for the Group.

Risks associated with joint ventures: The Company has entered into a joint venture (Hyon AS) and may enter into others. The success of a joint venture depends on a number of factors, a number of which are beyond one individual partner's control. Participation in joint ventures represents a variety of legal risks inherent to joint ventures.

Risk factors (3/4)

Hexagon is a spin-off: The Group is a result of a spin-off from the Hexagon Composites ASA group. A number of agreements have been entered into in order establish the Group's business into a separate legal structure, and the Group may have liabilities pursuant to said agreements.

RISKS RELATED TO THE SHARES AND THE ADMISSION TO TRADING

An active trading market for the Company's Shares may not develop: The Shares have not previously been tradable on any stock exchange, other regulated marketplace or multilateral trading facility. No assurance can be given that an active trading market for the Shares will develop on Merkur Market, nor sustain if an active trading market is developed. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following completion of the Admission to Trading.

The Company will incur increased costs as a result of being listed on Merkur Market: As a company with its shares listed on Merkur Market, the Company will be required to comply with Oslo Børs' reporting and disclosure requirements for companies listed on Merkur Market. The Company will incur additional legal, accounting and other expenses in order to ensure compliance with the aforementioned requirements and other rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its shares listed on Merkur Market will include, among other things, costs associated with annual and interim reports to shareholders, shareholders' meetings and investor relations. In addition, the Board of Directors and Management may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with shares listed on Merkur Market, which may entail that less time and effort can be devoted to other aspects of the business.

The price of the Shares may fluctuate significantly
The trading volume and price of the Shares could fluctuate significantly. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Company's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the Company's strategy, as well as the evaluation of the related risks, changes in general economic conditions or the equities markets generally, changes in the industries in which the Company operates, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate due to factors that have little or nothing to do with the Company, and such fluctuations may materially affect the price of the Shares. Further, significant sales of shares by major shareholders could also negatively affect the market price of the Shares.

Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares: The Company may in the future decide to offer and issue new Shares or other securities in order to finance new capital intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk of any future offerings reducing the market price of the Shares and/or diluting their shareholdings in the Company.

Shareholders outside of Norway are subject to exchange rate risk: All of the Shares will be priced in Norwegian Kroner (NOK), the lawful currency of Norway and any future payments of dividends on the Shares or other distributions from the Company will be denominated in NOK. Accordingly, any investor outside Norway is subject to adverse movements in NOK against their local currency, as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially impacted upon by adverse currency movements.

Norwegian law could limit shareholders' ability to bring an action against the Company: The rights of holders of the Shares are governed by Norwegian law and by the Company's articles of association (the "Articles of Association"). These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

Investors could be unable to exercise their voting rights for Shares registered in a nominee account: Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) could be unable to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to any General Meeting. There is no assurance that beneficial owners of the Shares will receive the notice of any General Meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S. or other shareholders
Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction.
The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares. Doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

Risk factors (4/4)

Future sales of the Company's shares by its larger shareholder or any of its primary insiders may depress the price of the Company's shares: The market price of the Company's shares could decline as a result of sales of a large number of shares in the market by its major shareholders after the Issue or the perception that these sales could occur, or any sale of shares by any of the Company's primary insiders from time to time. These sales, or the possibility that these sales may occur, might also make it more difficult for the Company to sell equity securities in the future at a time and at a price it deems appropriate.

RISKS RELATED TO LAWS AND REGULATIONS

Risks related to litigation, disputes and claims: The Company may in the future be involved from time to time in litigation and disputes. The operating hazards inherent in the Company's business may expose the Company to, amongst other things, litigation, including personal injury litigation, intellectual property litigation, contractual litigation, environmental litigation, tax or securities litigation, as well as other litigation that arises in the ordinary course of business. No assurance can be given that the Company is not exposed to claims, litigation and compliance risks, which could expose the Company to losses and liabilities. Such claims, disputes and proceedings are subject to uncertainty, and their outcomes are often difficult to predict. Adverse regulatory action or judgment in litigation could result in sanctions of various types for the Company, including, but not limited to, the payment of fines, damages or other amounts, the invalidation of contracts, restrictions or limitations on the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

Changes in tax laws of any jurisdiction in which the Company operates, and/or any failure to comply with applicable tax legislation may have a material adverse effect for the Company: The Company is and will be subject to prevailing tax legislation, treaties and regulations in the jurisdictions in which it operates, and the interpretation and enforcement thereof. The Company's income tax expenses are based upon its interpretation of the tax laws in effect at the time that the expense is incurred. If applicable laws, treaties or regulations change, or if the Company's interpretation of the tax laws is at variance with the interpretation of the same tax laws by tax authorities, this could have a material adverse effect on the Company's business, results of operations or financial condition. If any tax authority successfully challenges the Company's operational structure, pricing policies or if taxing authorities do not agree with the Company's assessment of the effects of applicable laws, treaties and regulations, or the Company loses a material tax dispute in any country, or any tax challenge of the Company's tax payments is successful, the Company's effective tax rate on its earnings could increase substantially and the Company's business, earnings and cash flows from operations and financial condition could be materially and adversely affected.

Risks associated with changes to accounting rules or regulations: Changes to existing accounting rules or regulations may impact the Company's future profit and loss or cause the perception that the Company is more highly leveraged. New accounting rules or regulations and varying interpretations of existing accounting rules or regulations may be adopted in the future and could adversely affect the Company's financial position and results of operations.

Risk relating to GDPR: The EU General Data Protection Regulation (GDPR) imposes a number of obligations of the Company, including risks related to use of cookies and transfer of personal data outside the EU/EEA. Given the scope and complexity of GDPR regulation, there is a risk that the measures imposed by GDPR are not implemented correctly or that there may be partial non-compliance with the new procedures, which could result in significant administrative and monetary sanctions as well as reputational damage.

RISKS RELATED TO THE GROUP'S FINANCIAL POSITION AND LIQUIDITY

Adequate funding may not be available in the future: To the extent the Company does not generate sufficient cash from operations to fund its existing and future business plans, the Company may need to raise additional funds through public or private debt or equity financing to execute the Company's growth strategy and to fund capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. If funding is insufficient at any time in the future, the Company may be unable to, inter alia, fund acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the Company's financial condition and results of operations.

Future debt arrangements could limit the Company's liquidity and flexibility and the Group may be unable to generate sufficient cash flow to satisfy its debt obligation: Any future debt arrangements could limit the Company's liquidity and flexibility in obtaining additional financing and/or in pursuing other business opportunities. Further, the Company's future ability to obtain bank financing or to access the capital markets for any future debt or equity offerings may be limited by the Company's financial condition at the time of such financing or offering, as well as by adverse market conditions related to, for example, general economic conditions and contingencies and uncertainties that are beyond the Company's control. Failure by the Company to obtain funds for future capital expenditures could impact the Company's results, financial condition, cash flows and prospects. The Group's future cash flow may be insufficient to meet its debt obligations and commitments. Any insufficiency could negatively impact the Group's business. A range of economic, competitive, business and industry factors will affect the Group's future financial performance and, as a result, an inability to generate sufficient cash flow to satisfy its debt obligations, or to obtain alternative financing, could materially and adversely affect the Group's business, financial condition, results of operations, and prospects.

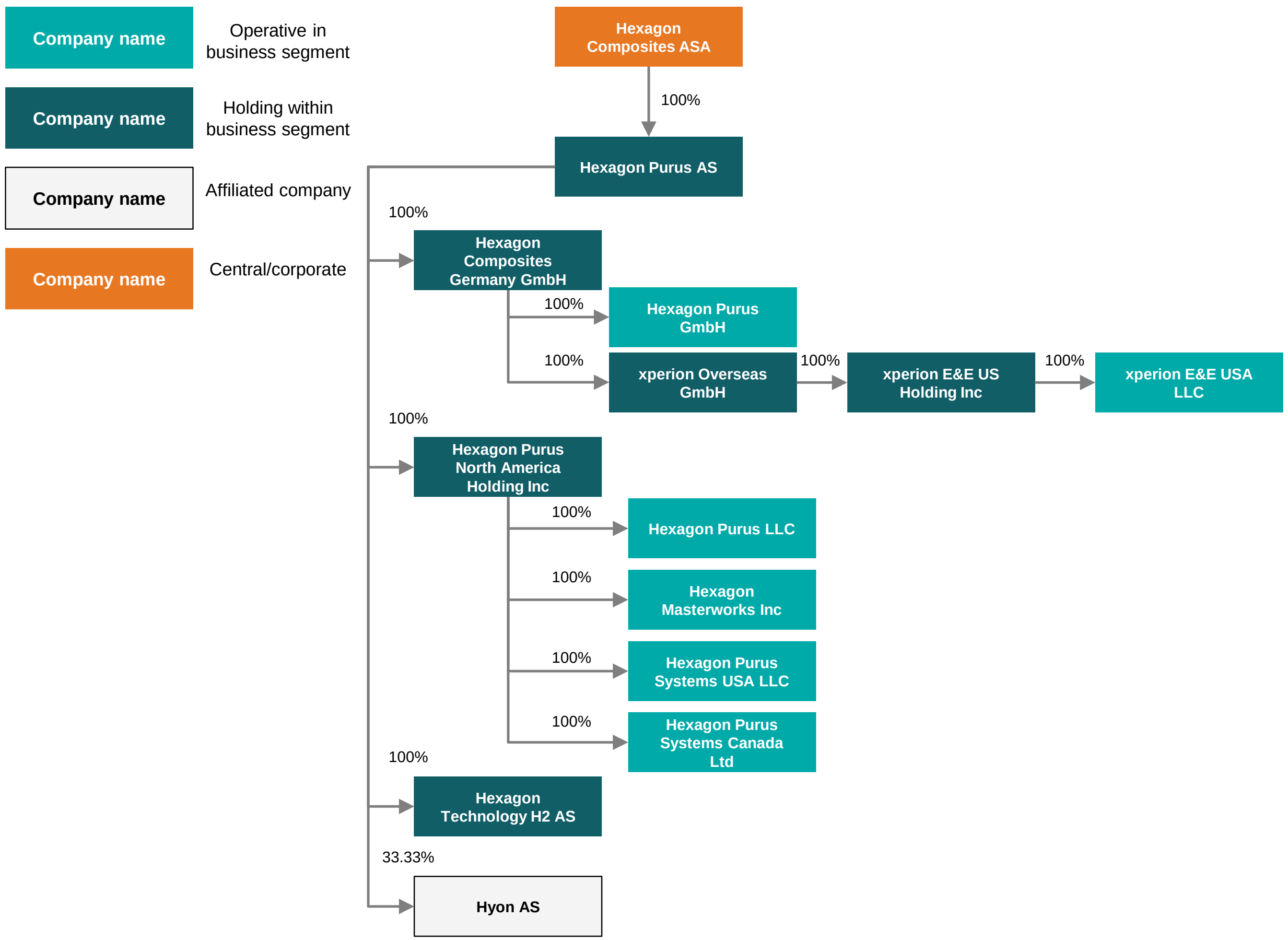
Risks related to contractual default by counterparties: The ability of each counterparty to perform its obligations under a contract with the Company will depend on a number of factors that are beyond the Company's control including, for example, factors such as: i) general economic conditions; ii) the condition of the industry to which the counterparty is exposed; and iii) the overall financial condition of the counterparty. Should a counterparty fail to honor its obligations under its agreements with the Company, this could impair the Company's liquidity and cause significant losses, which in turn could have a material adverse effect on the Company's business, results of operations, cash flows, financial condition and/or prospects.

Interest rate risk: The Group could be exposed to interest rate risk from its financing activities. Some of the Group's potential future interest-bearing liabilities may have variable interest rates, which means that the Group may be affected by changes in interest rates which exposes the Group to volatility in future interest payment amounts.

Currency risk: As the Group has production and sales in different countries with different functional currencies, it is exposed to currency risk associated with movements of the Norwegian krone against other currencies while the Group's presentation currency is NOK. The most important foreign currencies to the Group is currently the US Dollar and Euro and changes in currency rates could have a negative impact on the Company's competitive position, and have a significant effect on the Company's reported results. The carrying amount of the Group's net investments in foreign companies fluctuates as the Norwegian krone moves against other relevant currencies. The Group's profit after tax is also affected by currency movements, as the results of foreign companies are translated to the Norwegian currency using the weighted average exchange rate for the period.

APPENDIX

Legal structure chart



COMMENTARY

TSA

- Purus has all necessary assets to conduct the e-mobility (zero emission) business, including inter alia access to skilled labour, raw material (carbon fiber and battery cells), manufacturing equipment, assembly equipment and testing equipment to produce and supply type 4 hydrogen high-pressure cylinders and cylinder systems, battery packs and complete system integration solutions for alternative powertrains
- However, a transitional service agreement (the "TSA") will be entered into between Purus and Hexagon for the purpose of acquiring certain shared services (e.g. finance, IT, HR, legal and communications) in an interim phase

Joint ventures

- Hexagon Purus AS is party to a joint venture with Nel ASA and PowerCell Sweden AB (each with 33.33% ownership) called Hyon AS, aiming to be a one stop show for integrated solutions across the hydrogen value chain
- Furthermore, Purus has announced a term sheet for a strategic partnership with CIMC ENRIC to jointly establish facilities for manufacturing of cylinders and assembly of systems to serve the Chinese and Southeast Asian markets

Historical income statement

INCOME STATEMENT – CARVE-OUT FINANCIALS INCLUDING CNG LDV BUSINESS

(NOK 1000)	For the six months ended 30 June 2020	2019
Revenue from contracts with customers	184,639	290,493
Other operating income	2,454	557
Total revenue	**187,093**	**291,050**
Cost of materials	(100,209)	(154,215)
Payroll and social security expenses	(89,392)	(94,642)
Other operating expenses	(71,993)	(70,861)
Total operating expenses	**(261,594)**	**(319,718)**
EBITDA	**(74,502)**	**(28,668)**
Depreciation and impairment	(30,356)	(23,506)
Operating profit (EBIT)	**(104,858)**	**(52,174)**
Share of profit (loss) of an associate and a joint venture	(571)	(676)
Finance income	4,278	2,191
Finance costs	(31,588)	(16,574)
Net income (loss (-) before taxes	**(132,739)**	**(67,234)**
Income tax	(15,018)	11,161
Net income / loss (-)	**(147,757)**	**(56,073)**

PURUS SEGMENT RESULTS - CARVE-OUT FINANCIALS EX. CNG LDV BUSINESS

(NOK 1000)	For the six months ended 30 June 2020	2019
Total revenue	94,362	83,729
EBITDA	(63,552)	(75,854)
EBIT	(79,089)	(91,861)

COMMENTARY

- The CNG LDV business unit is currently in process of being carved out from Hexagon Purus. The full income statement shown for the six months ended 30 June 2020 and 2019 includes the CNG LDV segment
- Revenues for Hexagon Purus excluding CNG LDV came in at NOK 94 million for H1 2020, compared to NOK 84 million for H1 2019

Source: Hexagon Purus Group First Half-Year Report 2020

Historical balance sheet

HEXAGON PURUS

BALANCE SHEET – CARVE-OUT FINANCIALS INCLUDING CNG LDV BUSINESS

(NOK 1000)	30.06.2020	31.12.2019
ASSETS		
Property, plant and equipment	101,098	103,359
Right-of-use assets	77,870	53,577
Intangible assets	513,994	475,378
Deferred tax assets	20,520	41,213
Other non-current assets	4,962	3,877
Total non-current assets	**718,444**	**677,404**
Inventories	109,283	100,678
Trade receivables	88,612	125,015
Cash and short-term deposits	53,591	65,093
Other current assets	28,987	9,041
Total current assets	**280,473**	**299,827**
Total assets	**998,917**	**977,231**
EQUITY AND LIABILITIES		
Issued capital	330	330
Share premium	14,443	14,443
Other equity	(280,070)	(119,590)
Equity attributable to equity holders of the parent	**(265,297)**	**(104,816)**
Total equity	**(265,297)**	**(104,816)**
Interest-bearing loans and borrowings, related party	842,891	729,428
Lease liabilities	77,943	47,828
Deferred tax liabilities	24,487	22,325
Other non-current liabilities	4,514	3,689
Total non-current liabilities	**949,835**	**803,269**
Trade and other payables	169,869	139,207
Contract liabilities	34,732	33,276
Lease liabilities, short term	12,107	12,810
Other current liabilities	97,670	93,485
Total current liabilities	**314,378**	**278,778**
Total liabilities	**1,264,213**	**1,082,046**
Total equity and liabilities	**998,917**	**977,231**

COMMENTARY

Significant events after the balance sheet date

- The CNG LDV business unit is currently in process of being carved out of Hexagon Purus. The balance sheet shown as of 30 June 2020 and 30 June 2019 includes CNG LDV
  - Total assets attributed to CNG LDV as of 30 June 2020 was NOK 214 million
- After the balance sheet date, Hexagon Composites ASA resolved to convert close to all of its shareholder loan positions from Hexagon Composites ASA into equity

Glossary list

Term	Description
BEV	Battery Electric Vehicle
CAPEX	Capital Expenditures
CEO	Chief Executive Officer
CFO	Chief Financial Officer
E2E	End-to-End
eFEAD	Electric Front-End Accessories Drive
EJ	Exajoule
EV	Electric Vehicle
EVP	Executive Vice President
EU	European Union
FCEV	Fuel Cell Electric Vehicle
HDT	Heavy Duty Truck
HRS	Hydrogen Refueling Stations

Term	Description
JV	Joint Venture
LCV	Light Commercial Vehicle
LDC	Light Duty, Cylinders and Distribution
LDT	Light Duty Truck
LTM	Last Twelve Months
MDT	Medium Duty Truck
OEM	Original Equipment Manufacturer
R&D	Research and Development
TCO	Total Cost of Ownership
UNFCCC	United Nations Framework Convention on Climate Change
YOY	Year-Over-Year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